

**MEDICAL UNIVERSITY HOSPITAL AUTHORITY (MUHA)
BOARD OF TRUSTEES MEETING MINUTES
MAY 20, 2022**

The MUHA Board of Trustees convened on May 20, 2022, with the following board members present, Dr. James Lemon, Chair; Charles Schulze, Vice-Chair; Terri Barnes; Jim Battle; Bill Bingham; Dr. Melvin Brown; Dr. Fritz Butehorn; Dr. Richard Christian; Dr. Paul Davis; Dr. Don Johnson; Barbara Johnson-Williams; Dr. Murrell Smith; Tom Stephenson and Dr. Bart Witherspoon. MUSC administrative officials present were Dr. David Cole; Rick Anderson, Kate Azizi; Dr. Patrick Cawley; Annette Drachman; Dr. Lori McMahon; Dr. Lisa Saladin; Dr. Terry Steyer; and Mark Sweatman.

REGULAR AGENDA

Item 1. Call to Order.

There being a quorum present, Chairman Lemon called the meeting to order.

Item 2. Roll Call for the MUHA and MUSC Board of Trustees.

Mark Sweatman, Secretary, called the roll and announced that “in compliance with FOIA, all notices of meetings and agendas were furnished to all news media and persons requesting notification.”

Item 3. Date of Next Meeting.

The dates of the next meetings of the MUSC and MUHA Board of Trustees are June 24, 2022, in Columbia and August 12, 2022, in Charleston.

Item 4. Approval of Minutes.

Chairman Lemon called for a motion to approve the meeting minutes of April 8, 2022, April 15, 2022, and May 3, 2022.

Board Action: A motion to approve was made by Mr. Schulze; the motion was seconded and unanimously carried.

RECOMMENDATIONS AND INFORMATIONAL REPORTS OF THE PRESIDENT

Item 5. Other Business.

Dr. David Cole, President, reminded everyone that tomorrow at 10:00 a.m. at the North Charleston Coliseum, MUSC will hold its 192nd Commencement Ceremony with approximately 726 candidates receiving their degrees from 6 colleges. Dr. Aundrea Loftley is the commencement speaker and she is an MUSC College of Medicine alumnae and a faculty member in the Department of Medicine. Two honorary degrees

will be awarded to two of our state legislators, Representatives Bill Herbkersman and Gary Simrill, who both have done so much for MUSC and the State of South Carolina.

Board Action: Report received as information.

AUTHORITY OPERATIONS, QUALITY & FINANCE COMMITTEE. CHAIR: DR. MURRELL SMITH, SR.

Item 6. MUSC Health Status Report.

Dr. Pat Cawley, CEO, MUSC Health, gave a brief update on FY2022 Goal performance year-to-date. At the system level, year-to-date goal performance is currently at 2.90; Charleston at 3.29; Florence at 2.11; Lancaster at 3.35; and Midlands at 2.21. Dr. Cawley also reported on Leapfrog Hospital Safety Grade reporting. Hospitals are scored twice a year using grades of A-F. The Leapfrog survey changes annually and includes two measure categories: process measures which are hospital-submitted survey (data refreshed only in the Fall) and outcome measures which is CMS data on patient satisfaction, infections, and complications (data is refreshed in Spring and Fall.) He gave a summary of the MUSC Health hospitals scores including the gap to the next grade; whether the grade improved or declined; strengths; and, opportunities for advancement.

Board Action: Report received as information.

Item7. MUSC Health Financial Status Report.

Lisa Goodlett, Chief Financial Officer, MUSC Health, gave an update to the Board on the financial performance through March 2022. Ms. Goodlett reported system-level days cash on hand of 62, a debt service coverage ratio of 2.52, an operating margin of \$32M favorable to budget, and a total margin of \$99.6M favorable to budget. MUHA is in a unique situation driven by COVID. All-inclusive days cash on hand includes one major item that represents short-term obligations that will be repaid starting from September 2021 and ending in November 2022. With these funds included, days cash on hand would be 76. As of March 2022, \$68.3M has been repaid with \$114.5M remaining. Charleston market is strong with an operating margin of \$51.1M favorable to budget and a total margin of \$102.6M favorable to budget. They are focused on getting the Florence market's operating performance back in line which through March was \$18.4M unfavorable to budget. Lancaster doing well with an operating margin of \$1.8M favorable to budget and a total margin of \$11.8M favorable to budget. Midlands is slightly behind expectations; how they had a very strong April and putting in Epic will help manage their operations better so they should be in green.

Board Action: Report received as information.

Item 8. **Capital Reprioritization Request.**

Lisa Goodlett, Chief Financial Officer, MUSC Health, requested approval of the following capital reprioritization requests:

- MUSC Health Charleston: Funding for Phase 2 of ventilator fleet for \$680,000 for 17 units. The funding source comes from contingency funds.
- MUSC Health Charleston: Funding for the replacement of pediatric and adult ECHO due to increased growth for \$685,000. The funding source comes from contingency funds.
- MUSC Health Charleston: Funding for the replacement of anesthesia equipment for \$335,000. The funding source comes from contingency funds.
- MUSC Health Midlands: Funding for equipment related to the DaVinci robot was recently placed at Columbia Midlands for \$507,000. Funding source coming from the repurposing of the CT Scanner until next year for \$500,000.

Board Action: Dr. Smith moved for approval; the motion was seconded and unanimously carried.

Item 9. **Property Divestiture Resolution for Approval.**

Lisa Goodlett, Chief Financial Officer, MUSC Health, requested approval to move forward with all steps necessary as delegated to the CEO and CFO of the Medical University Hospital Authority to transfer, via sale, the following properties:

- Lake City, SC: 101 John Street; .6 acres with a 6,220 SF building
- Lake City, SC: 325 Mercy Street; .41 acres with a 5,461 SF building
- Indian Land, SC: 1.3 acres

Board Action: Dr. Smith moved for approval; the motion was seconded and unanimously carried.

Item 10. **Legislative Update.**

Mr. Mark Sweatman, Chief, of Governmental Affairs, gave a status update on MUSC's budget requests to the state legislature for the fiscal year 2022-2023.

Board Action: Received as information.

Item 11. **Other Committee Business.**

None.

MUHA AND MUSC PHYSICAL FACILITIES COMMITTEE. CHAIR: MR. BILL BINGHAM

Item 12. MUHA Leases for Approval.

Jessica Paul, Chief Real Estate Officer, MUSC Health, presented the following for approval:

- Lease Renewal for 125 Doughty Street, Suite 460, Charleston: 4,456 SF of office space for Bone Marrow Transplant & Digestive Disease. The lease term is for 1 year at a total cost of \$161,307.20.
- Lease Renewal for 17 Ehrhardt Street, Charleston: 13,769 SF of office for MUHA Facilities, Communications & Home Health. The lease term is for 5 years at a total cost of \$344,880.00.
- Lease Renewal for 2601 Laurel Street, Suite 130, Columbia: 2,317 SF of clinical space for MUSC Health Timeshare Initiative. The lease term is for 5 years at a total cost of \$182,621.19.
- Lease Renewal for 2601 Laurel Street, Suite 110, Columbia: 2,987 SF of clinical space for MUSC Heart Health. The lease term is for 5 years at a total cost of \$404,388.91.
- Lease Renewal for 2001 Laurel Street, Columbia: 61,645 SF of clinical and office space for MUSC Health Heart & Vascular. The lease term is for 30 years at a total cost of \$35,005,021.20.
- Lease Amendment for 2250 Mall Drive, Charleston: 99,800 SF of clinical space. The purpose of the amendment is to extend the lease term and reduce the annual rent amount. The lease term is 25 years at a total cost of \$66,773,566.00.
- Ground and MOB Lease for 521 Charlotte Highway, Lancaster: Development of 90,000 SF Multispecialty Medical Office Building to provide space for various departments including Cardiology, Radiation Oncology, Medical Oncology, OB/GYN, Physical Therapy, and Primary Care Building. The ground lease term is for 1 year at a total cost of \$6.00. Multispecialty Medical Office Building lease term is 30 years at a total cost of \$106,434,808.00. Off-Site Improvements Lease term is 30 years at a total cost of \$7,200,000.

Board Action: Mr. Bingham moved for approval; the motion was seconded and unanimously carried.

Item 13. MUSC Leases for Approval.

Jessica Paul, Chief Real Estate Officer, MUSC Health, presented the following for approval:

- Lease renewal for 59 Bee Street, Charleston: 7,962 SF of office space for the MUSC Development Office, Annual Giving & Children's Hospital. The lease term is for 5 years at a total cost of \$202,246.80.

- Lease for 2020 Sam Rittenberg Boulevard, Charleston: 2,282 SF of office space for the MUSC College of Dental Medicine. The lease term is for 5 years at a total cost of \$210,675.47.

Board Action: Mr. Bingham moved for approval; the motion was seconded and unanimously carried.

Item 14. Agenda item removed.

Item 15. **Basic Sciences Building Exterior Envelope Repairs Budget Adjustment for Approval.**

Greg Weigle, Interim Chief Facilities Officer, MUSC, presented for approval, a budget adjustment for an additional \$5,000,000 to complete the Basic Science Building Exterior Envelope Repairs. This project was initially approved by the MUSC Board of Trustees for \$7,000,000 as part of the FY18 budget. The new total project cost will be \$12,000,000.

Board Action: Mr. Bingham moved for approval; the motion was seconded and unanimously carried.

Item 16. **Waring Historical Library Renovations for Approval.**

Greg Weigle, Interim Chief Facilities Officer, MUSC, presented for approval, the MUSC Waring Historical Library Building renovation at a total project cost of \$1,200,000.

Board Action: Mr. Bingham moved for approval; the motion was seconded and unanimously carried.

Item 17. **135 Cannon Street Air Handler Units #1,2,3,4 Replacement for Approval.**

Greg Weigle, Interim Chief Facilities Officer, MUSC, presented for approval, the replacement of air handler units, 1, 2, 3, and 4 located at 135 Cannon Street at a total estimated cost of \$1,000,000.

Board Action: Mr. Bingham moved for approval; the motion was seconded and unanimously carried.

Item 18. **Other Committee Business.**

Mr. Greg Weigle, Interim Chief Facilities Officer, presented for approval, the following Construction Manager At-Risk and Architect selections for the following projects:

- Indian Land Campus Development Construction Manager At-Risk: Barton Malow, MB Kahn, McFarland
- College of Nursing First Floor Renovations Architect: Rosenblum Coe

MUHA AND MUSC AUDIT COMMITTEE. CHAIR: MR. THOMAS L. STEPHENSON

Item 19. Other Committee Business.

None.

OTHER BUSINESS FOR THE BOARD OF TRUSTEES

Item 20. Approval of Consent Agenda.

Approval of the consent agenda was requested.

Board Action: Chairman Lemon called for a motion to approve the consent agenda in its entirety. The motion was made by Mr. Schulze, the motion was seconded and unanimously carried.

Item 21. Executive Session.

Mr. Jim Battle made a motion for the Board of Trustees to move into closed session to discuss the following items pursuant to sections 30-4-70(a) of the South Carolina Code: negotiations of pending contracts related to the possible expansion of clinical services, the proposed sale or purchase of real property, and receipt of legal advice related to potential claims and other matters covered by the attorney/client privilege.

Board Action: The motion made by Mr. Battle was seconded and unanimously carried. Chairman Lemon announced that the Board of Trustees will move into closed session at this time. At 10:57 a.m., the board returned to open session with no action taken.

Item 22. New Business for the Board of Trustees.

None.

Item 23. Report from the Chairman.

None.

AUTHORITY OPERATIONS, QUALITY & FINANCE COMMITTEE.

Item 24. Appointments, Reappointments, and Delineation of Privileges (consent item).

The appointments, reappointments, and delineation of clinical privileges of the MUSC Health medical and allied health staff were presented for approval.

Board Action: Dr. Smith moved for approval; the motion was seconded and unanimously carried.

Item 25. **Medical Executive Committee Minutes (Consent item).**

Medical Executive Committee minutes were presented for information.

Action: Recommend approval.

Item 26. **Contracts and Agreements (consent item).**

Contracts and agreements signed since the last board meeting were presented for information.

Board Action: Received as information.

MUHA AND MUSC PHYSICAL FACILITIES COMMITTEE

Item 27. **MUSC FY2022 Active Projects >\$250,000 (consent item).**

MUSC active projects exceeding \$250,000 were presented for information.

Board Action: Received as information.

Item 28. **MUSC Facilities Contracts Awarded (consent item).**

Facilities contracts awarded were presented for information.

Board Action: Received as information.

There being no further business, the meeting of the MUHA Board of Trustees was adjourned.

Respectfully submitted,



Mark C. Sweatman, Secretary